



AB 1585: THE REAL THREAT ISN'T ON THE LABEL

Wine Institute stands with every grower and winery facing hardship today. The decline in wine demand is real and the urgency is something we feel deeply. That is precisely why we cannot support AB 1585. California wine is facing a demand crisis, not a labeling crisis. Changing a label standard is unlikely to bring a single new consumer to the category. We urge the legislature to pursue solutions that address the real challenge: rebuilding demand for American wine.

GRAPE. YEAR. ORIGIN. GONE.

Right now, a wine using the "American" appellation has the ability to tell a consumer three things at a glance: the grape variety, what year it was made and that it is American-made. Those are three things many people use to make a buying decision.

Federal law ties appellation, varietal and vintage together — you cannot show the grape variety or vintage year unless the wine first qualifies for an appellation. 27 CFR 4.23 requires a varietal label to be "also labeled with an appellation of origin"; 27 CFR 4.27 requires the same for a vintage year. So if a wine cannot meet the AB 1585 100% threshold and loses its "American" appellation, all three disappear. A wine that today says "2022 Chardonnay, American" becomes simply "White Wine."

Some proponents of AB 1585 claim it supports truth in labeling. But the consumer walking out of that store knows less, not more.



Today - Legal & Informative
Consumer knows grape & vintage

Under AB 1585
Grape and vintage stripped from label

ONE BILL. EVERY STANDARD AT RISK.

Federal law does not require 100% sourcing for any wine appellation — not for states, counties or viticultural areas. For example, a Napa Valley wine can include up to 15% grapes from outside the region. A Sonoma County wine can source up to 25% from outside the county. These standards exist because farming is unpredictable and winemakers need flexibility to manage inconsistent harvests and craft wines of a desired style.

By calling itself "Truth in Labeling," AB 1585 implies that anything below 100% is deceptive. If that logic is accepted for one appellation today, it undermines every other standard.

Label Claim (Federal)	Required %
Vineyard Designation	95%
American Viticultural Area (AVA)	85%
County or State	75%
"American"	75%

GOOD INTENTIONS. REAL CONSEQUENCES. WRONG SOLUTION.

The vast majority of California's wineries are small, family-owned businesses — the same kind of operations this bill's supporters are fighting to protect.

The reality: AB 1585 could hurt them too. By overriding a federal labeling standard, California opens the door for every other state to do the same, like writing their own rules around terms like "Reserve," "Old Vine" and others that California's family wineries have spent generations building. **A compliance patchwork across 50 states is not an abstract risk. It is a real cost that lands on real families.**

THE FEDERAL REGULATOR ALREADY STRUCK THIS BALANCE

The Alcohol and Tobacco Tax and Trade Bureau (TTB), the federal agency that oversees wine labeling, already addressed this issue. In 2012, the TTB specifically amended its vintage dating rules to give winemakers flexibility "while still ensuring that consumers are provided with adequate information as to the identity and quality of the wines they purchase." 71 Fed. Reg. 24748-49 (Sep. 13, 2012). AB 1585 dismisses that balance.